

Message Text

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PAGE 01 STATE 036604
ORIGIN EB-08

INFO OCT-01 EUR-12 IO-13 ISO-00 STR-04 TRSE-00 FEA-01
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 FRB-01 H-02
INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05
CIEP-02 SS-15 ITC-01 USIA-15 PRS-01 SP-02 OMB-01 /111 R

DRAFTED BY EB/OT/STA:WTDIROLL:JH
APPROVED BY EB/OT/STA:JSSPIRO
STR:DWHITNACK
TREAS:WBARREDA
EUR/RPE:RBRESLER

-----180524 083288 /20

R 171955Z FEB 77
FM SECSTATE WASHDC
TO USMISSION GENEVA
USMISSION OECD PARIS
INFO USDEL MTN GENEVA

UNCLAS STATE 036604

E.O. 11652: N/A

TAGS: ETRD

SUBJECT: SECTION 201 INVESTIGATION OF MUSHROOMS: NOTIFICA-
TION OF UNITED STATES INTERNATIONAL TRADE COMMISSION
(USITC) FINDING AND RECOMMENDATION

REF: STATE 310542 DECEMBER 1976

1. REQUEST ADDRESSEES NOTIFY THE GATT AND OECD SECRE-
TARIATS, RESPECTIVELY, THAT THE USITC HAS FOUND THE UNITED
STATES MUSHROOM INDUSTRY IS BEING INJURED BY IMPORTS AND
RECOMMENDED TARIFF RATE QUOTA RELIEF. IN MAKING THE
NOTIFICATIONS PLEASE BE GUIDED BY THE TEXT OF THE
PERTINENT PART OF THE USITC PRESS RELEASE OF JANUARY 10
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ANNOUNCING THE COMMISSION'S DETERMINATION. IT READS AS
FOLLOWS: BEGIN TEXT: -

THE UNITED STATES INTERNATIONAL TRADE COMMISSION TODAY
RECOMMENDED TO THE PRESIDENT THAT IMPORT RELIEF BE PROVIDED
TO THE U.S. MUSHROOM INDUSTRY.

COMMISSIONERS JOSEPH O. PARKER, WILL E. LEONARD, GEORGE M. MOORE, AND ITALO H. ABLONDI FORMED THE MAJORITY AND FOUND THE U.S. MUSHROOM INDUSTRY ELIGIBLE FOR IMPORT RELIEF UNDER

THE TRADE ACT OF 1974. COMMISSIONER PARKER, LEONARD, MOORE, AND ABLONDI SAID THAT THE INDUSTRY WAS SUFFERING IMPORT-CAUSED SERIOUS INJURY. COMMISSIONER PARKER SAID THAT THE DOMESTIC INDUSTRY WAS ALSO BEING THREATENED WITH SERIOUS INJURY BY INCREASED IMPORTS OF CANNED MUSHROOMS.

COMMISSIONER DANIEL MINCHEW DETERMINED THAT INCREASED IMPORTS OF CANNED MUSHROOMS WERE NOT A SUBSTANTIAL CAUSE OF SERIOUS INJURY OR THE THREAT OF SERIOUS INJURY TO THE DOMESTIC INDUSTRY PRODUCING ARTICLES LIKE OR DIRECTLY COMPETITIVE WITH THE IMPORTED ARTICLE. COMMISSIONER CATHERINE BEDELL DID NOT PARTICIPATE IN THE DECISION.

COMMISSIONER MINCHEW, PARKER, AND MOORE RECOMMENDED THE IMPOSITION OF A TARIFF QUOTA OF 48 MILLION POUNDS, ALLOCATED BY COUNTRY. IMPORTS IN EXCESS OF THE QUOTA WOULD BE ASSESSED AN ADDITIONAL AD VALOREM DUTY OF 25 PERCENT DURING THE FIRST THREE YEARS OF THE QUOTA, AN ADDITIONAL AD VALOREM DUTY OF 15 PERCENT DURING THE FOURTH YEAR OF THE QUOTA AND AN ADDITIONAL AD VALOREM DUTY OF 5 PERCENT DURING THE FIFTH YEAR OF THE QUOTA.

COMMISSIONERS LEONARD AND ABLONDI RECOMMENDED ADJUSTMENT ASSISTANCE, WHICH PROVIDES FOR FINANCIAL AND TECHNICAL UNCLASSIFIED

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AID FOR WORKERS, FIRMS, AND COMMUNITIES, AS THE APPROPRIATE REMEDY FOR THE MUSHROOM INDUSTRY.

THE COMMISSION'S INVESTIGATION ON MUSHROOMS, ITS SECOND SINCE MARCH 1976, WAS INSTITUTED FOLLOWING A REQUEST FOR AN EXPEDITED INVESTIGATION RECEIVED FROM THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS. THE REQUEST FROM STR PRECEDED A USITC DETERMINATION THAT THERE WAS GOOD CAUSE FOR A REINVESTIGATION WITHIN 1 YEAR.

IMPORTS OF CANNED MUSHROOMS HAVE BEEN IN-REASING OVER THE LAST DECADE TO THE CURRENT LEVEL OF ABOUT 22 PERCENT OF TOTAL U.S. MUSHROOM CONSUMPTION. ABOUT 88 PERCENT OF ALL IMPORTED MUSHROOMS ARE CANNED, AND THE REMAINDER ARE DRIED. TAIWAN AND SOUTH KOREA ARE THE PRINCIPAL SUPPLIERS OF IMPORTED MUSHROOMS. FRESH MUSHROOMS ARE SUPPLIED ALMOST EXCLUSIVELY BY DOMESTIC GROWERS.

PENNSYLVANIA, NEW YORK, DELAWARE, OHIO, CALIFORNIA,

FLORIDA, AND TEXAS ARE THE PRIMARY MUSHROOM-GROWING STATES.
ALTHOUGH THE NUMBER OF ESTABLISHMENTS PRODUCING MUS;ROOMS
HAS DROPPED IN RECENT YEARS, U.S. PRODUCTION HAS MORE
THAN DOUBLED IN THE LAST DECADE. PRODUCTION OF FRESH
MUSHROO;S IN THE UNITED STATES IN THE MARKETING YEAR

1975/76 WAS 310 MILLION POUNDS. PRODUCTION OF CANNED
MUSHROOMS INCREASED DURING THE PERIOD 1968/69 THROUGH
1971/72 AND THEN DECREASED IRREGULARLY TO 104 MILLION
POUNDS IN 1975/76. END TEXT.

2. MISSION SHOULD ALSO STATE THAT
THE PRESIDENT WILL MAKE A DECISION ON THE DISPOSITION
OF THE USITC RECOMMENDATION WITHIN SIXTY DAYS FROM THE
DATE OF THE RECEIPT OF THE REPORT (I.E., BY MARCH 11).

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INFO OCT-01 ISO-00 /005 R

66011
DRAFTED BY: EUR/RPE:REBRESLER
APPROVED BY: EUR/RPE:EACASEY
-----250705 033852 /15

R 242216Z FEB 77
FM SECSTATE WASHDC
TO USMISSION EC BRUSSELS

UNCLAS STATE 036604

FOLLOWING REPEAT STATE 36604 ACTION GENEVA OECD PARIS
INFO MTN GENEVA DTD 17 FEB

QTE

UNCLAS STATE 036604

E.O. 11652: N/A

TAGS: ETRD

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REF: STATE 310542 DECEMBER 1976

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
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Copy: SINGLE
Sent Date: 17-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition Event:
Disposition History: n/a
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770057-1134
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770230/aaaabaxw.tel
Line Count: 278
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Litigation History:
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Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 STATE 310542
Retention: 0
Review Action: RELEASED, APPROVED
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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Secure: OPEN
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Subject: SECTION 201 INVESTIGATION OF MUSHROOMS: NOTIFICATION OF UNITED STATES INTERNATIONAL TRADE COMMISSION (USITC) FINDING AND RECOMMENDATION
TAGS: ETRD, USITC
To: GENEVA OECD PARIS
Type: TE
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Review Markings:
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